

# **ANNUAL PERFORMANCE REPORT**

The Annual Performance Report reflects Gamagara Local Municipality performance during the 2010/2011 financial year.

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## 1. Performance on National Key Performance Indicators

|          |  | Previous Financial Year |                                   | Financial Year under Review |          |                     |   |   |
|----------|--|-------------------------|-----------------------------------|-----------------------------|----------|---------------------|---|---|
|          |  | 2009/2010               |                                   | 2010/2011                   |          |                     |   |   |
| No.      | INDICATOR  | TARGET                  | ACHIEVED                          | TARGET                      | ACHIEVED | RATING              | Reason for Variance - Positive or Negative  | Remedial Action   |
| <b>1</b> | <b>The percentage of households with access to basic level of service w.r.t :</b>  |                         |                                   |                             |          |                     |   |   |
| 1.1      | • Water  | 100%                    | 100%                              | 100%                        | 97%      | Fully Effective     | Illegall occupation of unserviced land  | Develop bussiness plans for sourcing of funds                 |
| 1.2      | • Sanitation   | 100%                    | 100%                              | 100%                        | 97%      | Fully Effective     | Illegall occupation of unserviced land  | Develop bussiness plans for sourcing of funds                 |
| 1.3      | • Electricity  | 100%                    | 92% (142 households not serviced) | 100%                        | 97%      | Fully Effective     | Illegall occupation of unserviced land  | Develop bussiness plans for sourcing of funds                 |
| 1.4      | • Solid Waste Removal  | 100%                    | 100%                              | 100%                        | 97%      | Fully Effective     | Illegall occupation of unserviced land  | Develop bussiness plans for sourcing of funds                 |
| <b>2</b> | Percentage of households earning less than 2 X old age Grant per month with imputed expenditure with access to all free basic services | 100%                    | 100%                              | 100%                        | 100%     | Fully Effective     | All people qualifying for indigent subsidy was targetted, but only a few register | Intensify indigent registration through door to door campaign |
| <b>3</b> | The percentage of a municipality's capital budget actually spent on  | 100%                    | 52.76%                            | 100%                        | 62.96%   | Not Fully Effective | Slow procurement process  | Improvement of procurement turn-around process                |

|          |   |         |                                       |         |                   |                    |                 |  |
|----------|---|---------|---------------------------------------|---------|-------------------|--------------------|-----------------|--|
|          | capital projects identified for a particular financial year in terms of the municipality's IDP.   |         |                                       |         |                   |                    |                 |  |
| <b>4</b> | The number of jobs created through the municipality's local economic development initiatives including capital projects.  |         | 291 temporary jobs+ 25 permanent jobs |         | 19 Temporary Jobs | Fully Effective    | Please complete | Please complete                                |
| <b>5</b> | The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan. |         | 75%                                   |         | 75%               | Fully Effective    |                 | Council to target females for senior positions |
| <b>6</b> | The percentage of a municipality's budget actually spent on implementing its workplace skills plan.   | 100     | 127,28%                               | 100%    | 167.08%           | Above expectations |                 |  |
| <b>7</b> | <b>Financial viability as expressed by ratios:</b>  |         |                                       |         |                   |                    |                 |  |
| 7.1      | <b>Debtor days</b>  | 25 days | 25 days                               | 25 days | 29 days           | Fully Effective    |                 |  |
| 7.2      | <b>Creditor days</b>  | 30 days | 30 days                               | 30 days | 29 days           | Above Expectation  |                 |  |

|     |                      |             |         |      |                |                                    |  |  |
|-----|----------------------|-------------|---------|------|----------------|------------------------------------|--|--|
| 7.3 | <b>Cost coverage</b> | <b>100%</b> | 102.75% | 100% | <b>105.73%</b> | <b>Above<br/>expectat<br/>ions</b> |  |  |
|-----|----------------------|-------------|---------|------|----------------|------------------------------------|--|--|

## 2. Pre-determined Objectives linked to KPA

| <b>KPA 1: Basic service delivery and infrastructure investment</b>   |  |   |
|--|--|---|
| <b>Development Issue</b>   | <b>IDP Development Goal/Objectives</b>   | <b>Structured Development Objective</b>   |
| <b>1. Housing:</b>   | To ensure building of proper houses through National and Provincial housing scheme               | To ensure the development of quality housing delivery and eradicating housing backlog to maximum by ensuring sustainable housing settlements. |
| <b>The provision of houses in the Municipality becomes more of a priority for the various Communities.</b>   | To ensure ordained building activities as prescribed by building regulations                     |   |
| <b>1.1 Land acquisition</b>  | To fast track the facilitation of rental housing   |   |
| <b>The issues that will be dealt with are the following: land reform and re-distribution continue availability of land for various uses like agricultural, mining, residential and commercial. Appropriate land use management system in the municipality. Development, review and implementation of spatial development frameworks fall under this issue as well.</b> | To ensure provision of housing for relocation of Dingleton.                                      |   |
| <b>1.2 Planning &amp; Surveying</b>  | To do a proper land audit for the entire municipality. (completed)                               |   |
| <b>1.3 Housing development</b>   | To develop and implement a land policy to the maximum benefit of HDI'S                           |   |
|  | To ensure the optimal usage of land  |   |
|  | To negotiate with Kumba for provision of suitable land   |   |
|  | To ensure proper planning and surveying of all suitable land according to need of communities    |   |
|  | To ensure the development of quality housing delivery and eradicating housing backlog to maximum |   |
| <b>2. Infrastructure development:</b>  | To fast track the process of reaching the National targets related to water and sanitation       |   |
| <b>2.1 Water and Sanitation:</b>   | To provide water and sanitation to residents   |   |

|  |   |  |
|--|---|--|
| <b>Provision of basic services throughout the municipal area to cater for future and private development</b> | To provide free basic services to indigents                                       |  |
|  | To develop a infrastructure policy for whole municipality                         |  |
| <b>2.2 Roads and Transport:</b>  | To ensure the municipality reach the National targets related to roads            |  |
| <b>The construction and upgrading of new and existing roads.</b>   | To maintain and upgrade all gravel roads  |  |
|  | To provide and improve the availability of sufficient public transport facilities |  |

| <b>KPA 2: Local Economic Development</b>   |  |   |
|--|--|---|
| <b>Development Issue</b>   | <b>IDP Development Goal/Objectives</b>   | <b>Structured Development Objective</b>   |
| <b>4. LOCAL ECONOMIC DEVELOPMENT :</b>   | To finalise the LED strategy in line with the new National LED Framework       | Creating an enabling environment for LED in the municipality to promote economic growth |
| <b>To promote economic growth of the area through LED, mining, agriculture and other related economic potentials. Also focussing on creating an environment for economic growth for investors to invest. The cross-cutting nature of the LED Issues should be catered for and more focus on infrastructure, which contribute to LED.</b> | To improve institutional capacity for LED                                      |   |
|  | To create an enabling environment for LED in the Municipality                  |   |
|  | To oversee the establishment of economic sector forums                         |   |
|  | To stimulate tourism in the Municipal area.                                    |   |
|  | To facilitate the creation of jobs / employment opportunities in the district. |   |
|  | To develop an incentive policy for investors in the Municipal area.            |   |

**KPA 3: Municipal Financial viability and management**

| <b>Development Issue</b>  | <b>IDP Development Goal/Objectives</b>  | <b>Structured Development Objective</b>   |
|---|---|---|
| <b>3.Promotion and maintenance of a financial viable municipality:</b>  | To compile the annual budget according to the MFMA and relevant legislation   | Improved financial viability and management through well structured budget processes, financial systems, and MFMA compliance. |
| <b>This issue considers improved local governance in the municipality over a 5 year period. It will consider aspects like financial viability (revenue raising strategies and good financial systems)</b> | To ensure full implementation of the Property Rates Act   |   |
|   | To improve the financial systems to accommodate the reporting requirements of government  |   |
|   | To measure financial viability as expressed in the ratios prescribed in the Planning and Performance Management Regulations, 2001 |   |
|   | To ensure the effective and transparent conducting of internal audit processes by ensuring a unqualified audit report for 2009/10 |   |

**KPA 4: Municipal Transformation and Institutional Development**

| <b>Development Issue</b>   | <b>IDP Development Goal/Objectives</b>                                      | <b>Structured Development Objective</b>                                      |
|--|---|--|
| <b>Sustainable Developmental Orientated Municipalities (Continue):</b>   | To attract and retain staff   | Maintaining sound labour relations, practices i.e. Employment Equity and WSP |
| <b>This issue focus on institutional development (Human resource development) and transformation. It is very much an internal focused issue.</b> | To review & implement the Employment Equity Plan                            |  |
|  | To train and develop employees in accordance with the Workplace Skills Plan |  |
|  | To maintain sound labour relations  |  |
|  | To develop and implement a proper HR Strategy                               |  |



**KPA 5: Good governance and community public participation**

| <b>Development Issue</b>  | <b>IDP Development Goal/Objectives</b>  | <b>Structured Development Objective</b>  |
|---|---|--|
| <b>Sustainable Developmental Orientated Municipalities (Cont.):</b>   | To ensure effective integrated development planning and performance management in the municipality  | Effective integrated development planning and performance management in the municipality |
| <b>This issue focus on improved local government by ensuring good governance (community participation, ward committees as well CDW'S); It will create a platform for communities to raise their voice by ensuring their issues are taken seriously and be address adequately.</b> | To review the Risk Assessment document and implementation there off.  | Provide and maintain effective administrative systems                                    |
|   | To develop and implement the communication strategy   | Promote the Public participation to enhancing LG   |
|   | To ensure and promote the participation of ward committee in enhancing LG   |  |
|   | To improve and maintain an ICT system   |  |
|   | To review and promulgate by-laws  |  |
|   | To provide and maintain effective administrative systems  |  |
|   | To oversee the implementation of the DGDS   |  |
|   | To strengthen accountability  |  |
|   | To ensure public safety become a standing item on council agenda and ensuring community participation in Community safety forums                                      |  |
| <b>6.2. HIV/AIDS:</b>   | To liaise with primary health care facilities in the Municipal area regarding the following:  |  |
| <b>Ensuring the focus of the pandemic in our communities which cannot be ignored and working hand in hand with other institutions an allocate resources to the prevalence of the disease.</b>   | Reduction methods of minimizing the rate of HIV/AIDS in the Municipality through awareness campaigns, by encouraging the planting of food gardens and good nutrition. |  |
|   | To facilitate the reduction of waste pollution and management thereof.  |  |
| <b>7. Environmental &amp; Municipal Health:</b>   | To provide a co-ordinated disaster management policy that focus on prevention and reduction of risks.   |  |
| <b>Deal with the Municipal health function defined in the National Health Act and the constitutional obligations, e.g. Like cleansing water, waste management and environmental management. Asbestos and disaster management will form part of the</b>                            | To provide effective municipal environmental health services as determined by the NHA to the total municipality by 2012.  |  |
|   |   |  |

|        |  |  |
|--------|--|--|
| issue. |  |  |
|--------|--|--|

### 3. IDP<sup>1</sup> Performance: Linking Projects to Pre-determined (Development) Objectives

| IDP Ref | No. | PROJECT NAME / INDICATOR                                   | Previous Financial Year (2009/2010) Actual Performance | Performance for 2010/2011 Financial year |                |              |  |  |   |
|---------|-----|--|--|--|----------------|--------------|--|--|---|
|         |     |  |  | TARGET (BUDGETED)                        | ACTUAL         | % Completion | COMMENTS / REMEDIAL ACTION / REASON FOR VARIANCE | KPA  | DEVELOPMENT OBJECTIVE   |
| P1      | 1   | Construction of 200 subsidy houses for residents of O'hoek | 25 houses was completed                                | R 11,681,448.00                          | R 4,858,416.67 | 40%          |  | <i>KPA 1: Basic service delivery and infrastructure investment</i> | To ensure the development of quality housing delivery and eradicating housing backlog to maximum by ensuring sustainable housing settlements. |
| P4.2    | 2   | Brick making Project-Kathu                                 | Project still at planning stage                        | R 3,300,000.00                           | R 0            | 0%           | Employed Aurecon working on a project model.     | <i>KPA 2: Local Economic Development</i>                           | Creating an enabling environment for LED in the municipality to promote economic growth   |
| P4.3    | 3   | Coffin making Project-Dibeng                               | Project still at planning stage                        | R 1,500,000.00                           | R 0            | 0%           | Employed Aurecon working on a project model.     | <i>KPA 2: Local Economic Development</i>                           | Creating an enabling environment for LED in the municipality to promote economic growth   |

<sup>1</sup>Gamagara Municipality 3<sup>RD</sup> Reviewed Integrated Development Plan (IDP) 2010 – 2012]

| IDP Ref | No. | PROJECT NAME / INDICATOR                   | Previous Financial Year (2009/2010) Actual Performance | Performance for 2010/2011 Financial year |                |              |  |   |   |
|---------|-----|--|--|--|----------------|--------------|--|---|---|
|         |     |  |  | TARGET (BUDGETED)                        | ACTUAL         | % Completion | COMMENTS / REMEDIAL ACTION / REASON FOR VARIANCE     | KPA   | DEVELOPMENT OBJECTIVE   |
| P4.5    | 4   | Leather & Tannery-Dibeng                   | Deadlock between interested investors and council      | R 100,000.00                             | R 0            | 0%           | Resuscitate engagement between investors and council | KPA 2: Local Economic Development                           | Creating an enabling environment for LED in the municipality to promote economic growth   |
| P2.1    | 5   | Upgrading of Oxidation pond-Dibeng         | Project was in progress                                | R 3,500,000.00                           | R 4,197,597.79 | 100%         |  | KPA 1: Basic service delivery and infrastructure investment | To ensure the development of quality housing delivery and eradicating housing backlog to maximum by ensuring sustainable housing settlements. |
| P2.1    | 6   | Upgrading of Oxidation pond-O'hoek         | Project was in progress                                | R 7,774,600.00                           | R 6,672,675.63 | 100%         |  | KPA 1: Basic service delivery and infrastructure investment | To ensure the development of quality housing delivery and eradicating housing backlog to maximum by ensuring sustainable housing settlements. |
| P1.1    | 7   | Building of 300 houses-Dibeng              | Project was in progress                                | R 19,000,000.00                          | R11,485,897.66 | 100%         |  | KPA 1: Basic service delivery and infrastructure investment | To ensure the development of quality housing delivery and eradicating housing backlog to maximum by ensuring sustainable housing settlements. |
| ?       | 8   | Construction of Taxi Road, EPWP- Ditlounge | Project was in progress                                | R 1,920,371.00                           | R2,029,591.48  | 90%          | Culverts & stormwater drainage still outstanding     | KPA 1: Basic service delivery and infrastructure            |   |

| IDP Ref | No. | PROJECT NAME / INDICATOR                       | Previous Financial Year (2009/2010) Actual Performance | Performance for 2010/2011 Financial year |                |              |   |   |   |
|---------|-----|--|--|--|----------------|--------------|---|---|---|
|         |     |  |  | TARGET (BUDGETED)                        | ACTUAL         | % Completion | COMMENTS / REMEDIAL ACTION / REASON FOR VARIANCE          | KPA   | DEVELOPMENT OBJECTIVE   |
|         |     |  |  |  |                |              |   | investment  |   |
| ?       | 9   | Electrification of 98 Houses-Sesheng           | Project was in progress                                | R 2,500,000.00                           | R 3,445,373.29 | 100%         |   | KPA 1: Basic service delivery and infrastructure investment | To ensure the development of quality housing delivery and eradicating housing backlog to maximum by ensuring sustainable housing settlements. |
| P2.7    | 10  | Dibeng water reticulation phase 2              | Project was in progress                                | R 3,371,000.00                           | R 3,715,918.67 | 100%         |   | KPA 1: Basic service delivery and infrastructure investment | To ensure the development of quality housing delivery and eradicating housing backlog to maximum by ensuring sustainable housing settlements. |
| P2      | 11  | Electrification of 337houses-Sesheng           | Available funding only for 98 stands                   | R 8,866,059.06                           | R 4,841,061.46 | 90%          | Project still in progress( to be completed December 2011) | KPA 1: Basic service delivery and infrastructure investment | To ensure the development of quality housing delivery and eradicating housing backlog to maximum by ensuring sustainable housing settlements. |
| P2.3    | 12  | Outfall sewer network, Skerpdraai-Olifantshoek | Project was in progress                                | R 3,300,000.32                           | R 3,332,110.74 | 100%         |   | KPA 1: Basic service delivery and infrastructure investment | To ensure the development of quality housing delivery and eradicating housing backlog to maximum by ensuring sustainable                      |

| IDP Ref | No. | PROJECT NAME / INDICATOR              | Previous Financial Year (2009/2010) Actual Performance | Performance for 2010/2011 Financial year |              |              |  |   |   |
|---------|-----|---------------------------------------|--|--|--------------|--------------|--|---|---|
|         |     |                                       |  | TARGET (BUDGETED)                        | ACTUAL       | % Completion | COMMENTS / REMEDIAL ACTION / REASON FOR VARIANCE | KPA   | DEVELOPMENT OBJECTIVE   |
|         |     |                                       |  |  |              |              |  |   | housing settlements.  |
| ?       | 13  | Fencing of landfill site- Dibeng      | Unfenced landfill site                                 | R 240,000.00                             | R 191,812.65 | 100%         |  | KPA 1: Basic service delivery and infrastructure investment | To ensure the development of quality housing delivery and eradicating housing backlog to maximum by ensuring sustainable housing settlements. |
| P2.6    | 14  | Replace bulk supply pipeline : O'hoek | Costly maintenance of the old pipeline                 | R 1,000,000.00                           | R 266,395.20 | 100%         |  | KPA 1: Basic service delivery and infrastructure investment | To ensure the development of quality housing delivery and eradicating housing backlog to maximum by ensuring sustainable housing settlements. |
| P2.9    | 15  | Fencing of purification plant- Kathu  | Unfenced purification plant                            | R 150,000.00                             | R 69,679.00  | 100%         |  | KPA 1: Basic service delivery and infrastructure investment | To ensure the development of quality housing delivery and eradicating housing backlog to maximum by ensuring sustainable housing settlements. |

| IDP Ref | No. | PROJECT NAME / INDICATOR    | Previous Financial Year (2009/2010) Actual Performance | Performance for 2010/2011 Financial year |              |              |   |   |   |
|---------|-----|-----------------------------|--|--|--------------|--------------|---|---|---|
|         |     |                             |  | TARGET (BUDGETED)                        | ACTUAL       | % Completion | COMMENTS / REMEDIAL ACTION / REASON FOR VARIANCE                    | KPA   | DEVELOPMENT OBJECTIVE   |
| ?       | 16  | Renovation of Welgelee Hall | Community hall was not in good condition               | R 100,000.00                             | R 239,754.54 | 100%         |   | KPA 1: Basic service delivery and infrastructure investment | To ensure the development of quality housing delivery and eradicating housing backlog to maximum by ensuring sustainable housing settlements. |
| P2      | 17  | Access Road-Dibeng          | Gravel Road  | R 763,490.00                             | R 306,375.00 | 100%         |   | KPA 1: Basic service delivery and infrastructure investment | To ensure the development of quality housing delivery and eradicating housing backlog to maximum by ensuring sustainable housing settlements. |
| ?       | 18  | Asbestos water reticulation | Ageing abestos pipes replcement                        | R 6,000,000.00                           | R 802,091.99 | 70%          | Project will be completed by the end of December 2012               | KPA 1: Basic service delivery and infrastructure investment | To ensure the development of quality housing delivery and eradicating housing backlog to maximum by ensuring sustainable housing settlements. |
|         | 19  | Multipurpose Centre         | Existing building destroyed by storm                   | R 798,000.00                             | R 0          |              | The first advert for contractors received non-responsive bidders. A | KPA 1: Basic service delivery and infrastructure investment | Creating an enabling environment for LED in the municipality to promote economic growth   |

| IDP Ref | No. | PROJECT NAME / INDICATOR    | Previous Financial Year (2009/2010) Actual Performance | Performance for 2010/2011 Financial year |              |              |  |   |   |
|---------|-----|-----------------------------|--|--|--------------|--------------|--|---|---|
|         |     |                             |  | TARGET (BUDGETED)                        | ACTUAL       | % Completion | COMMENTS / REMEDIAL ACTION / REASON FOR VARIANCE   | KPA   | DEVELOPMENT OBJECTIVE   |
|         |     |                             |  |  |              |              | contractor was appointed after the second advert however he could not deliver on the project and was thus terminated. Project to be implemented in the 2011-12 financial year. |   |   |
| P2.10   | 20  | Fencing of 400 ML Dam-Kathu | TBC  | R 300,000.00                             | R 382,161.06 |              | Please Complete  | KPA 1: Basic service delivery and infrastructure investment | To ensure the development of quality housing delivery and eradicating housing backlog to maximum by ensuring sustainable housing settlements. |

| IDP<br>Ref | No. | PROJECT<br>NAME /<br>INDICATOR | Previous<br>Financial<br>Year<br>(2009/2010)<br>Actual<br>Performanc<br>e | Performance for 2010/2011 Financial year |              |                 |  |  |   |
|------------|-----|--------------------------------|---|--|--------------|-----------------|--|--|---|
|            |     |                                |   | TARGET<br>(BUDGETED)                     | ACTUAL       | %<br>Completion | COMMENTS /<br>REMEDIAL<br>ACTION /<br>REASON FOR<br>VARIANCE | KPA  | DEVELOPMENT<br>OBJECTIVE  |
| ?          | 21  | Water Support<br>Programme     | TBC   | R 755,000.00                             | R 543,304.80 | 100%            |  | <i>KPA 1: Basic<br/>service delivery<br/>and<br/>infrastructure<br/>investment</i> | To ensure the<br>development of quality<br>housing delivery and<br>eradicating housing<br>backlog to maximum by<br>ensuring sustainable<br>housing settlements. |



#### 4. Projects Rolled over from Annual Performance Report 2009/2010

[illegible]

## 5. In Year Departmental Operational performance Improvement (SDBIP) 2010/2011

SDBIP – In Year monitoring - ePerform